STAND. COM. REP. NO. 1062

Honolulu, Hawaii

MAR 2 5 2015

RE: H.B. No. 444

H.D. 3 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committees on Tourism and International Affairs and Water and Land, to which was referred H.B. No. 444, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO BEACH PROTECTION,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allocate transient accommodations tax revenues to the special land and development fund and beach restoration and conservation special fund to finance restoration and conservation activities;
- (2) Enable the effective development and implementation of plans to slow the degradation of Hawaii's beaches; and
- (3) Encourage the restoration of beaches through the coordination of activities involving the counties and the formation of public-private partnerships.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Hawaii Tourism Authority; Land Use Research Foundation of Hawaii; Ho'omana Pono, LLC.; Outrigger Enterprises Group; The Nature Conservancy; Hawaii Lodging and Tourism Association; Maui Hotel and Lodging Association; and one individual. Your Committees received comments on this measure from the Department of the Attorney

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General, Department of Budget and Finance, State-County Functions Working Group, and Tax Foundation of Hawaii.

Your Committees find that Hawaii's beaches are important and unique components of the array of natural resources that make Hawaii a special place for residents and an attractive destination for visitors. Recent studies by researchers at the University of Hawaii indicate that Hawaii's beaches are disappearing at an alarming rate, with seventy percent of beaches undergoing chronic erosion, over thirteen miles of beach completely lost to erosion, and inappropriate shoreline development over the past century. Your Committees further find that the State needs to reinvest in its beaches as one of its important and valuable natural resources and to conserve and restore these important assets by more efficiently distributing limited financial resources.

Your Committees have amended this measure by:

- (1) Inserting language in section 8 to specify that transient accommodation tax revenues deposited into the special land and development fund and expended in accordance with the Hawaii Tourism Authority Strategic Plan may also be used for beach protection, preservation, maintenance, and enhancement;
- (2) Changing the effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 444, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 444, H.D. 3, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Tourism and International Affairs and Water and Land,

LAURA H. THIELEN, Chair

GILBERT KAHELE, Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Tourism and International Affairs TSI

Bill / Resolution No.:* HB 444 HD3	Committee Referral: Date: 751/WTL, WAM 23 Warch 2015								
The Committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)	Nay	Excused				
KAHELE, Gilbert (C)		X							
ENGLISH, J. Kalani (VC)		X							
TANIGUCHI, Brian T.		,			X				
TOKUDA, Jill N.					Χ				
SLOM, Sam		<u> </u>							
TOTAL		3			2-				
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature: Colomic Colom									
Distribution: Original Yellow File with Committee Report Clerk's Office			Pink Goldenrod Drafting Agency Committee File Copy						

Revised: 11/12/14

^{*}Only one measure per Record of Votes

The Senate Twenty-Eighth Legislature State of Hawaiʻi

Record of Votes Committee on Water and Land WTL

Bill / Resolution No.:*	Committee Referral:			Date:				
HB444, HD3	TSI/WTL, WAM 00.23.15			7.15				
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WF	R) Nay	Excused			
THIELEN, Laura H. (C)								
GALUTERIA, Brickwood (VC)								
IHARA, Jr., Les								
RIVIERE, Gil		~						
RUDERMAN, Russell E.		V						
SHIMABUKURO, Maile S.L.								
SLOM, Sam								
								
TOTAL		le			l.			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

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